

## INSPECTION AGREEMENT

### THIS AGREEMENT LIMITS OUR LIABILITY - PLEASE READ IT CAREFULLY

This Home Inspection Agreement (the "Agreement") is made effective on the date set forth on the last page of this Agreement by and between Hazelbaker Construction Services, Incorporated (hereinafter "HCS," "Inspector," "we," "us" and "our") and Client named on the last page of this Agreement (hereinafter "client," "you" or "your") (collectively, the "Parties"). You desire to have a **general home inspection** (the "Inspection") and/or **other inspection related services** (the "Ancillary Services") performed on a home located at the address stated on the last page of this Agreement (collectively, the "Services"). The Services desired are indicated by checking the appropriate line beside the desired service.

**SCOPE OF THE INSPECTION:** This Inspection is a limited visual examination of certain readily accessible systems and components (designated for inspection herein) using normal operating controls and opening readily openable access panels. The purpose of the Inspection is to provide you with information about the condition of certain systems and components of the home at the time of the Inspection. The Inspection will be performed in accordance with the technical guidelines of the American Society of Home Inspectors ("ASHI") (referred to herein as "Inspection Guidelines"). A copy of the Inspection Guidelines can be found on the ASHI website: <http://www.homeinspector.org/docs/standards.pdf>. The Inspection Guidelines are hereby incorporated by reference in their entirety and are hereby made a part of this Agreement.

The Inspector is a generalist and is not a licensed engineer or expert in any specific craft or trade. If the Inspector recommends further action, including, but not limited to, consulting with a specialized expert(s), you must do so at your expense or otherwise assume all risks associated with failure to do so. **This Inspection is not technically exhaustive.** Client understands that the fee charged for this Inspection is substantially less than that of a technically exhaustive inspection.

A written inspection report (the "Report") will be provided describing the following systems and components: structural components (including foundation and framing), exterior, roof system, plumbing system, electrical system, heating system, installed central and through-wall air conditioning systems, interiors and insulation & ventilation. The Report will identify the following: (a) which systems and components designated for inspection herein are, in the professional opinion of the Inspector, significantly deficient, (b) why the Inspector deems the system or component to be significantly deficient, (c) whether further evaluation, correction or monitoring is needed, and (d) whether any system or component described herein was not inspected and why it was not inspected. We reserve the right to modify the Report for a period of time that shall not exceed forty-eight (48) hours after the Report has been first delivered to you. Nothing in this Agreement is intended to limit the Inspector from reporting observations and conditions in addition to those identified herein or excluding systems and components from the Inspection if agreed to in writing and signed by the Parties. Should we, as a courtesy, exceed any particular requirement set forth herein in one area, we shall not be obligated to exceed the requirements in other areas. With respect to inspections of "built-in" kitchen appliances (dishwasher/oven/range/microwave/garbage disposal washer/dryer); other than running a dishwasher and/or washer and dryer through a full cycle, when feasible, the equipment is only briefly turned on. Evaluation of timers and other controls is not performed and no determination is made regarding the performance of the appliances, such as how well an oven maintains a temperature, or how well a garbage disposal grinds and disposes of waste materials.

**EXCLUSIONS:** A system or component is not readily accessible if the Inspection requires moving personal property, dismantling, destructive measures, or any action that will, in the opinion of the Inspector, likely involve risk to persons or property. Anything not readily observable because it is concealed or inaccessible due to obstructions, including, but not limited to, floor coverings, suspended ceiling tiles, insulation, furniture or other personal property, soil, vegetation, water, ice or snow, cannot be inspected. We are not required to move or disturb such items in order to diminish or eliminate the obstruction. We are not required to report on or engage in any practice or act that is not included herein, or that is specifically excluded in the Inspection Guidelines, unless otherwise agreed to in writing signed by the Parties. We are not required to inspect anything identified in the Inspection Guidelines as limitations or exclusions specific to the systems and components inspected. The list of the following specific exclusions is not an exhaustive list; see the Inspection Guidelines for additional exclusions and limitations. We are NOT required to determine the following: remaining life of any system or component, the causes of any condition or deficiency, methods and costs of corrections, suitability of the property for a specialized use, market value or marketability, advisability of purchase of the property, the presence of pests such as wood damaging organisms (including termites), rodents or insect, rot/decay, fungus, including mold and mildew, the presence of radon gas, decorative items, underground items, breached vacuum seals in insulated glass, or items not

permanently installed. We are not required to do the following: predict future conditions including, but not limited to, failure of components, operate any system or component that is shut down or otherwise inoperable, light pilot lights, determine the presence of hazardous substances, enter hazardous areas, or perform engineering, architectural, plumbing, or any other job function requiring an occupational license or certification in your jurisdiction (unless the Inspector holds a valid license or certification and the Parties agree in writing signed by the Parties of the additional service(s) for an additional fee). We are not required to inspect fences, soil conditions, soil contamination, environmental contamination, spas, saunas, steam baths, pools (and related equipment), outbuildings (other than garage or carport), sprinkler systems, private and community waste disposal systems, telephones, cable television, intercoms, security systems, low voltage lighting systems, any timing systems, well systems, window-unit air conditioning systems, furnace heat exchangers, and heating or cooling systems when weather conditions or other circumstances may cause equipment damage. We are not required to inspect cosmetic items such as paint (including the presence of lead paint), wallpaper, carpet, or other finishes on walls, ceilings or floors, and any type of window treatment (such as blinds or draperies). We are not required to determine non-compliance with manufacturer's specifications or applicable regulatory requirements, including, but not limited to, building code compliance.

Water/moisture, leaks, seepage and drainage problems are often only visible during or after a certain amount of rain. It is thus impossible to observe water/moisture, leaks, seepage and drainage problems unless the Inspection is conducted during or immediately after a rain sufficient to reveal such problems.

It is beyond the scope of this inspection to determine if any system or component is, has been, or will be part of any product, component or system recall in the future. Client may wish to subscribe or contact the CPSC (Consumer Product Safety Commission) for recall information regarding any system or component.

**DRYWALL MANUFACTURED IN CHINA EXCLUSION:** HCS is not responsible for testing, discovering or reporting drywall that was manufactured in China. Furthermore, HCS is not responsible for any damages that arise from or relate to drywall manufactured in China. Drywall manufactured in China was shipped to the United States between 2003-2008. If your home was constructed or repaired during this time period, HCS recommends that further testing be conducted to determine the presence of drywall manufactured in China.

**MOLD EXCLUSION:** HCS is not responsible for discovering or reporting on the presence or absence of mold or mildew. Furthermore, HCS is not responsible for any damages that arise from or relate to mold or mildew, even if the mold or mildew is a direct consequence of a condition upon which HCS is required to report as set forth in this Agreement.

**FEE:** You agree to pay the fee stated on the last page of this Agreement for the performance of the Services. This amount shall be paid in full prior to the completion of the Services (unless otherwise agreed in writing by the Parties). Should you fail to timely pay the agreed upon fee(s), you shall be responsible for paying any and all fees associated with collection, including, but not limited, to administration costs, attorney's fees, and cost of litigation.

**ADDITIONAL SERVICES:** We may (or may not) be able to perform any one or more of the Ancillary Services listed in this Agreement. The availability of the Ancillary Services varies depending on location. You should confirm availability prior to execution of this Agreement. Unless you request Ancillary Services by checking the appropriate line beside the desired service and we agree to perform the Ancillary Service by executing this Agreement, this Agreement is for the general home inspection only and does not include the other delineated Ancillary Services, including, but not limited, to the following: carbon monoxide test, radon gas test, water analysis, on-site waste disposal system inspection, basic energy assessment, wood destroying insects (or organisms) inspection, pool & spa inspection, or invasive testing of EIFS, Exterior Insulation & Finishing Systems (also known as artificial or synthetic stucco) to determine the existence of moisture and damage related thereto.

### DISPUTE RESOLUTION AND REMEDY LIMITATION:

**Notice of Claims** - You understand and agree that any claims(s) or complaint(s) arising out of, or related to, any alleged act or omission of HCS in connection with the Services shall be reported to us, in writing, within ten (10) business days of discovery. Unless there is an emergency condition, you agree to allow us a reasonable period of time to investigate the claim(s) or complaint(s) by, among other things, re-inspection before you, or anyone acting on your behalf. **You understand and agree that any failure to timely notify us and allow adequate time to investigate, as stated above, shall constitute a complete bar and waiver of any and all claims you may have against us related to the alleged act or omission unless otherwise prohibited by law.**

**Arbitration** - Any dispute concerning the interpretation of this Agreement or arising from the Services and Report (unless based on payment of fee) shall be resolved by binding, non-appealable arbitration conducted in accordance with the rules of the American Arbitration Association, except that the Parties shall mutually agree upon an Arbitrator who is familiar with the home inspection industry.

**Limitations Period** - Any legal action arising from this Agreement or from the Services and Report, including, but not limited to, the arbitration proceeding more specifically described above, must be commenced within one (1) year from the date of the Services. **Failure to bring such an action within this time period shall be a complete bar to any such action and a full and complete waiver of any rights, or claims based thereon.** This time limitation period may be shorter than provided by state law.

**Limit of Liability and Liquidated Damages** - To the extent permitted by law, it is understood and agreed, by and between the Parties hereto, that the Inspector is not an insurer, and based upon the nature of the **limited visual inspection** and preparation of the Report, actual damages, if any, resulting from a failure to perform such Services, are not readily ascertainable. Inspector's liability hereunder shall be limited and fixed to the cost of the Inspection as liquidated damages, and not as a penalty, and shall be the exclusive remedy of the Client. You understand that the performance of the Services without this limitation of liability would be more technically exhaustive, likely require specialist(s) and would cost substantially more than the fee paid for this **limited visual inspection**.

**OTHER PROVISIONS:**

**Confidentiality** - You understand that the Services are being performed (and the report is being prepared for your sole, confidential and exclusive benefit and use. The Report, or any portion thereof, is not intended to benefit any person not a party to this Agreement, including, but not limited to, the seller or the real estate agent(s) involved in the real estate transaction (the "Third Party"). **If you directly or indirectly allow or cause the Report or any portion thereof to be disclosed or distributed to any Third Party, you agree to indemnify, defend and hold us**

**harmless for any claims or actions based on the Services or the Report brought by the Third Party.** By signing below, you authorize us to distribute copies of the Report to the real estate agents or attorneys directly involved in this transaction, who are not intended beneficiaries of the Report.

**Severability and Entire Agreement** - The Parties agree that should an Arbitrator or Court determine that if any provision(s) in this Agreement is void, voidable, or unenforceable, the remaining portions shall remain in full force and effect. This Agreement (in its entirety), and any attached, executed Addenda, contains the entire agreement between the Parties, and there are no other representations, warranties, or commitments, except as are specifically set forth herein. This Agreement supersedes any and all representations or discussions, whether oral or written, if any, among the Parties relating to the subject matter of this Agreement. This Agreement may be modified, altered or amended only if agreed to in writing and signed by the Parties.

**Pool and Spa Inspection**- If Client has selected a pool and/or spa inspection as an Ancillary Service, such pool and/or spa inspection is limited to observation from the deck or exterior and includes an evaluation for obvious defects affecting the pool and to determine the basic functionality of common circulation equipment (the filter unit and pump). Equipment is visually evaluated and is not opened or dismantled. Determination of pool leaks is beyond the scope of inspection. Underground piping and other concealed components associated with the pool are not evaluated. Automatic chlorinating systems, automatic timing systems, fiber optic lighting, or other nonstandard lighting systems, pressure gauges, valves, diving boards or other such accessories, security or safety systems, heating systems are not evaluated or tested as part of this Inspection.

<p style="color: red; font-weight: bold;">Including you, Please specify who gets copies of the reports.</p>	<p>Is Your <b>Real Estate Agent</b> to Receive Copy of Reports? : _____ YES _____ NO</p> <p>Is Your <b>Attorney</b> to Receive Copy of Reports? : _____ YES _____ NO</p> <p>Is Your <b>Insurance Agent</b> to Receive Copy of Reports? : _____ YES _____ NO</p>																										
<p><b>Services:</b></p> <p><u>Check Line (to select Service)</u></p>	<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; border-bottom: 1px solid black;"><u>Requested Service</u></th> <th style="text-align: right; border-bottom: 1px solid black;"><u>Fee</u></th> </tr> </thead> <tbody> <tr> <td><b>General Home Inspection</b></td> <td></td> </tr> <tr> <td>Pool &amp; Spa Inspection – Included in property Inspection if applicable</td> <td style="text-align: right;">\$ _____</td> </tr> <tr> <td><b>Commercial Inspection</b></td> <td></td> </tr> <tr> <td>Radon Gas Test</td> <td style="text-align: right;">\$ _____</td> </tr> <tr> <td>Four Point</td> <td style="text-align: right;">\$ _____</td> </tr> <tr> <td>Wind Mitigation</td> <td style="text-align: right;">\$ _____</td> </tr> <tr> <td>Wind Mitigation and Four Point</td> <td style="text-align: right;">\$ _____</td> </tr> <tr> <td>Wood Destroying Insects</td> <td style="text-align: right;">\$ _____</td> </tr> <tr> <td>Re-Inspection</td> <td style="text-align: right;">\$ _____</td> </tr> <tr> <td>_____</td> <td style="text-align: right;">\$ _____</td> </tr> <tr> <td>_____</td> <td style="text-align: right;">\$ _____</td> </tr> <tr> <td colspan="2" style="padding-top: 10px;"> <p style="background-color: yellow; display: inline-block; margin-right: 20px;"><b>If you are getting a Mold Air Quality Test Done – There is a separate Agreement Form</b></p> <p style="text-align: right;">Total fee: \$ _____</p> </td> </tr> </tbody> </table>	<u>Requested Service</u>	<u>Fee</u>	<b>General Home Inspection</b>		Pool & Spa Inspection – Included in property Inspection if applicable	\$ _____	<b>Commercial Inspection</b>		Radon Gas Test	\$ _____	Four Point	\$ _____	Wind Mitigation	\$ _____	Wind Mitigation and Four Point	\$ _____	Wood Destroying Insects	\$ _____	Re-Inspection	\$ _____	_____	\$ _____	_____	\$ _____	<p style="background-color: yellow; display: inline-block; margin-right: 20px;"><b>If you are getting a Mold Air Quality Test Done – There is a separate Agreement Form</b></p> <p style="text-align: right;">Total fee: \$ _____</p>	
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**THE INSPECTION, ANCILLARY SERVICES, INSPECTION AGREEMENT AND REPORT DO NOT CONSTITUTE A WARRANTY, AN INSURANCE POLICY, OR A GUARANTEE OF ANY KIND; NOR DO THEY SUBSTITUTE FOR ANY DISCLOSURE STATEMENT AS MAY BE REQUIRED BY LAW.**

**By signing below you acknowledge that you have read, understand and agree to the terms and conditions of this Agreement, including but not limited to, the limitation of liability, arbitration clause and limitations period, and agree to pay the fee listed above.**

Client Name: \_\_\_\_\_

Property Address: \_\_\_\_\_

CLIENT: HAZELBAKER CONSTRUCTION SERVICES, INCORPORATED

\_\_\_\_\_  
Client's Signature By: \_\_\_\_\_

\_\_\_\_\_  
Client's Signature Date: \_\_\_\_\_

Date: \_\_\_\_\_